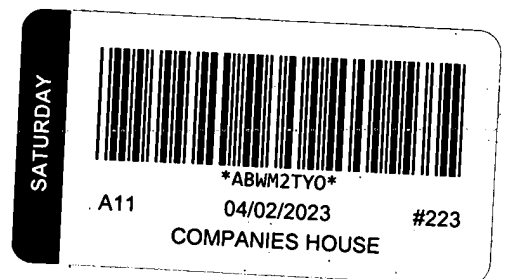


INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

Company Registration No. 05238375 (England and Wales)



INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	Mr D C Humphreys Mr R M Potter Mr K E Doncaster Mr M W Riches Mr A T Welch
Company number	05238375
Registered office	9 Blackwell Drive Springwood Industrial Estate Braintree CM7 2QJ
Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

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INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2022

The directors present the strategic report for the year ended 31 May 2022.

The company provides high quality services within the mobile telecommunications sector. These services include the design, deployment and maintenance of sites.

Business review

The company has reported a successful twelve months following its acquisition by Whistler Bidco Limited in 2021 and has benefitted from being part of a wider trading group with access to shared resources and additional workstreams. The directors believe that the following financial year will see further growth as the mobile network operators continue their roll out plans and investment in core 5G networks.

Principal risks and uncertainties

Principal risks and uncertainties include competition and loss of customers, loss of key employees, product liability, public and employer liability, health and safety, I.T. failure and loss of reputation.

Competitors are monitored for new products and services. Great attention is paid to customer service, with regular and frequent visits to customers by company representatives (both sales and technical).

The company sets out to attract capable employees, and to retain and motivate them once they are employed. It does so by a combination of offering market rates of pay and benefits in kind, and training, together with involvement in some of the decision making process, and consultation about major changes.

Product, public and employee liability are covered by the company's insurances, which are arranged by independent brokers with reputable underwriters, and the cover is reviewed annually.

The company has a Health & Safety policy, which is reviewed annually by the Board. The directors are responsible for its implementation. Health & Safety is of paramount importance to the business.

I.T. failure is covered by the use of standard hardware and software, which are regularly monitored and maintained by reliable outside professionals and by staff training. Computer equipment is written off very fast and renewed or updated at least every 4 years. Critical data and records are backed up daily, and stored securely off site.

Reputational risk is managed by careful design and quality assurance processes, and compliance with industry standards. The company responds rapidly to any problems which may arise, and continuously pays close attention to customer needs, and also to UK industry codes of practice.

The Board, having reviewed the above risk management policies and procedures, confirm that the procedures comply with the policies, and that no significant failures or weaknesses have been identified during the past year.

Following the resignation of the position of the United Kingdom from the European Union, the terms of the future trading relationship between the UK and the EU are still uncertain. The directors have considered factors that could impact the company including access to skilled labour, the supply of materials and the location of customers. None of these factors are expected to be significantly adversely impacted by the UK leaving the EU and as a result the directors do not believe there to be any significant risk to the company going forward.

Impact of Covid-19

The Group of which the Company is part has been fortunate not to have suffered any significant financial or operational impact as a result of the ongoing COVID-19 pandemic. All office-based staff have successfully operated from either their own home environment or returned to office-based working, where the directors have implemented safety measures, including social distancing, temperature checks and the provision of appropriate personal protective equipment ("PPE"). For field-based staff, the sector in which the Group operates has been classified as part of the United Kingdom's critical infrastructure and appropriate permissions have been gained from all customers to allow continuous working on their respective networks. Continued investment has been made to ensure availability of all appropriate PPE for those staff. The directors have also put in place return-to-work policies and risk assessments are made at all sites before work commences.

Overall, the directors are satisfied with the measures put in place and believe that the group will continue to deliver excellent output for its clients.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

Key performance indicators

Management use a range of performance measures to monitor and manage the business. Key financial and non financial indicators are:

Financial indicators:

- | | | |
|--------------------|------------|--------------------------|
| • Revenue per FTE | £189,160 | (2021 - £104,864) |
| • Operating profit | £1,324,641 | (2021 - £2,183,563 loss) |

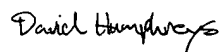
Working Capital measurement:

- | | | |
|------------------|----------|-------------------|
| • Debtor days: | 141 days | (2021 - 180 days) |
| • Creditor days: | 44 days | (2021 - 47 days) |

Non financial indicators:

- Conformance against client Health & Safety requirements
- Measurement of compliance with Health & Safety regulations and quality assurance by subcontractors
- Output of key delivery milestones including but not limited to site access levels, quantity of design outputs (general arrangement drawings, detailed designs), site build completes, handover packs and final accounts

On behalf of the board



Mr D C Humphreys
Director

11 January 2023

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2022

The directors present their annual report and financial statements for the year ended 31 May 2022.

Principal activities

The principal activity of the company during the period was providing high quality services within the mobile telecommunications sector. These services include the design, deployment and maintenance of sites.

Results and dividends

The profit for the period, after taxation, amount to £643,965 (2021: £1,859,297 loss).

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D C Humphreys

Mr R M Potter

Mr K E Doncaster

Mr M W Riches

Mr A T Welch

Financial instruments

Price risk

The company operates under a series of framework contracts with its end clients and to agreed schedules of rates which minimise the company exposure to any significant price risk.

Credit risk

The company has policies that require appropriate credit checks on customers to be made before trading commences. The nature of the company's customers are such that any credit risks are deemed low.

Liquidity risk

The company's policy throughout the year has been that, to ensure continuity of funding, the repayment profiles for its borrowings is such that repayments can be adequately satisfied from forecast future cash surpluses generated from operations.

Post reporting date events

There have been no significant events affecting the company since the year end date.

Future developments

The group of which the company is part will continue to deliver successful roll out programs for clients both in the mobile and fixed line sectors. The group is now beginning to roll out build programs as part of significant investment in the Shared Rural Network by the mobile operators.

Within the fixed line business, the group has begun work on a five year multi million pound network roll out for one of the key fibre providers which has resulted in the establishment of a new business unit within WHP Telecoms.

Ongoing consolidation within the telecoms sector is also expected to create additional revenue and growth opportunities for the group.

Auditor

In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

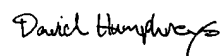
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr D C Humphreys
Director

11 January 2023

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MAY 2022

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Intelligent Communications Solutions Limited (the 'company') for the year ended 31 May 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Discussions were held with, and enquiries made of, management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a fundamental effect on the financial statements including compliance with the electronic communications code, health and safety regulations (principally working at height and lifting regulations), and ISO 9001 accreditation.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to the member in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, for our audit work, for this report, or for the opinions we have formed.

N. Kelly

Neil Kelly BA FCA
Senior Statutory Auditor
For and on behalf of DSG

11 January 2023

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2022

	Notes	Year ended 31 May 2022 £	Period ended 31 May 2021 £
Turnover	3	12,862,907	8,441,608
Cost of sales		(9,669,185)	(8,682,405)
Gross profit/(loss)		3,193,722	(240,797)
Administrative expenses		(1,887,617)	(2,282,237)
Other operating income	3	18,536	339,471
Operating profit/(loss)	4	1,324,641	(2,183,563)
Interest receivable and similar income	7	1	3
Interest payable and similar expenses	8	(594,838)	(54,434)
Profit/(loss) before taxation		729,804	(2,237,994)
Tax on profit/(loss)	9	(85,839)	378,697
Profit/(loss) for the financial year		643,965	(1,859,297)

There was no other comprehensive income for the current or prior period.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

BALANCE SHEET

AS AT 31 MAY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		205,811		203,119
Current assets					
Stocks	11	341,840		341,840	
Debtors	12	5,875,558		4,268,584	
Cash at bank and in hand		256,956		598,077	
		<u>6,474,354</u>		<u>5,208,501</u>	
Creditors: amounts falling due within one year	13	<u>(7,098,914)</u>		<u>(6,970,772)</u>	
Net current liabilities			<u>(624,560)</u>		<u>(1,762,271)</u>
Total assets less current liabilities			<u>(418,749)</u>		<u>(1,559,152)</u>
Creditors: amounts falling due after more than one year	14		(14,253)		(23,291)
Provisions for liabilities					
Provisions	16	699,451		193,205	
Deferred tax liability	17	31,232		32,002	
		<u>(730,683)</u>		<u>(225,207)</u>	
Net liabilities			<u>(1,163,685)</u>		<u>(1,807,650)</u>
Capital and reserves					
Called up share capital	19		5,000		5,000
Profit and loss reserves			<u>(1,168,685)</u>		<u>(1,812,650)</u>
Total equity			<u>(1,163,685)</u>		<u>(1,807,650)</u>

The financial statements were approved by the board of directors and authorised for issue on 11 January 2023 and are signed on its behalf by:

David Humphreys

Mr D C Humphreys
Director

Company Registration No. 05238375

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2022

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2020	5,000	46,647	51,647
Period ended 31 May 2021:			
Loss and total comprehensive income for the period	-	(1,859,297)	(1,859,297)
Balance at 31 May 2021	5,000	(1,812,650)	(1,807,650)
Year ended 31 May 2022:			
Profit and total comprehensive income for the year	-	643,965	643,965
Balance at 31 May 2022	5,000	(1,168,685)	(1,163,685)

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

Intelligent Communications Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is 9 Blackwell Drive, Springwood Industrial Estate, Braintree, CM7 2QJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Whistler Topco Limited as at 31 May 2022 and these financial statements may be obtained from the address given in note 22.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.2 Going concern

As at 31 May 2022 the company has net current liabilities of £624,560 and net liabilities of £1,163,685.

The accounts have been prepared on a going concern basis which assumes the company will have sufficient funds to continue to pay its debts as and when they fall due and thus continue to trade. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future based on its forecasts and projections. In making their assessment the directors have reviewed and considered the expected performance across the company's key projects using their understanding of expected volumes and pricing. They have also taken into consideration the timing of when key debts fall due and the impact these have upon expected cash flows. This has been modelled for a period covering 12 months from the date of signing these financial statements. At the year end date, the amount due to other group companies of £2,619,414, which, although technically payable on demand, has no scheduled repayment date. The directors have received confirmation from these group companies that intercompany debt will not be called for settlement before all third party creditors have been satisfied.

The group of which the company is part has a revolving credit facility ("RCF") and overdraft facility which is due for renewal on 6 April 2023. The directors of the group are in advanced discussions regarding the extension of the RCF and overdraft and are not aware of any matters which will prevent renewal of the facilities. The group also has other loans expiring on 6 July 2023 for which the directors have begun the process of refinancing and expect to conclude matters well in advance of the repayment date.

Having due consideration to each of the above factors, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and so the accounts are prepared on a going concern basis.

1.3 Turnover

Revenue is recognised over the course of projects as activity progresses. Revenue is based on estimated total turnover (project value) and the degree of estimated stage of completion (measured as total costs incurred compared to total costs forecast to the end of the project) for each individual project. Where calculated revenue exceeds the value that has been invoiced this is disclosed as amounts recoverable on projects in debtors, where revenue is below amounts invoiced this is disclosed as payments on account in creditors.

Profit on projects is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated to reflect the proportion of the work carried out at the year end date. Full provision is made for losses on all projects in the year in which they are first foreseen.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Assessing operating lease commitments

The company has entered into leases as a lessee obtaining the use of land and buildings and other tangible fixed assets. The classification of such leases as operating or finance lease requires management to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of amounts recoverable on projects

Amounts recoverable on projects are based on a stage of completion determined by the company on the basis of expected total revenue and expected total costs on projects. The recoverability of such amounts are subject to negotiation with customers which may cause adjustments up and down in determining final accounts.

Estimating value in use

Where an indication of impairment exists, the directors will carry out an impairment review to determine the recoverable amount, being the higher of fair value less cost to sell and value in use. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and a suitable discount rate in order to calculate present value.

Recoverability of receivables

The company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the ageing of the receivables, past experience of recoverability and the credit profile of individual or groups of customers.

Determining and reassessing residual value and useful economic lives of tangible assets

The company depreciates tangible assets over their estimated useful lives. In determining appropriate useful lives of assets, the directors have considered historic performance as well as future expectations for factors such as expected usage of the asset, physical wear and tear, technical and commercial obsolescence and legal limitations of the usage of the asset, such as lease terms. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied to determine the residual values for tangible assets. When determining the residual values, the directors have assessed the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. At each reporting date, the directors have also assessed whether there have been any indicators, such as a change in how the asset is used, significant unexpected wear and tear and changes in market prices, which suggest previous estimates may differ from current expectations. Where this is the case, the residual value and/or useful life is amended and accounted for on a prospective basis.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

5 Employees

(Continued)

Their aggregate remuneration comprised:

	Year ended 31 May 2022 £	Period ended 31 May 2021 £
Wages and salaries	3,019,434	3,310,306
Social security costs	307,894	351,602
Pension costs	55,637	155,174
	<u>3,382,965</u>	<u>3,817,082</u>

6 Directors' remuneration

	Year ended 31 May 2022 £	Period ended 31 May 2021 £
Remuneration for qualifying services	317,600	696,704
Company pension contributions to defined contribution schemes	5,283	92,332
	<u>322,883</u>	<u>789,036</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021 - 1).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	Year ended 31 May 2022 £	Period ended 31 May 2021 £
Remuneration for qualifying services	109,600	179,713
Company pension contributions to defined contribution schemes	1,761	1,422
	<u>111,361</u>	<u>181,135</u>

7 Interest receivable and similar income

	Year ended 31 May 2022 £	Period ended 31 May 2021 £
Interest income		
Interest on bank deposits	1	3
	<u>1</u>	<u>3</u>

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

8 Interest payable and similar expenses

	Year ended 31 May 2022 £	Period ended 31 May 2021 £
Interest on bank overdrafts and loans	6,808	-
Interest on invoice finance arrangements	445,426	51,640
Interest on finance leases and hire purchase contracts	-	2,794
Other interest	142,604	-
	<u>594,838</u>	<u>54,434</u>

9 Taxation

	Year ended 31 May 2022 £	Period ended 31 May 2021 £
Current tax		
UK corporation tax on profits for the current period	94,167	-
	<u>94,167</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	(8,328)	(378,697)
	<u>(8,328)</u>	<u>(378,697)</u>
Total tax charge/(credit)	<u>85,839</u>	<u>(378,697)</u>

The actual charge/(credit) for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	Year ended 31 May 2022 £	Period ended 31 May 2021 £
Profit/(loss) before taxation	<u>729,804</u>	<u>(2,237,994)</u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	138,663	(425,219)
Tax effect of expenses that are not deductible in determining taxable profit	41,573	76
Change in unrecognised deferred tax assets	418	1,829
Group relief	-	44,617
Other permanent differences	(94,815)	-
Taxation charge/(credit) for the year	<u>85,839</u>	<u>(378,697)</u>

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

10 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost			
At 1 June 2021	66,955	285,908	352,863
Additions	75,892	-	75,892
Disposals	-	(39,240)	(39,240)
At 31 May 2022	<u>142,847</u>	<u>246,668</u>	<u>389,515</u>
Depreciation and impairment			
At 1 June 2021	31,605	118,139	149,744
Depreciation charged in the year	21,486	38,685	60,171
Eliminated in respect of disposals	-	(26,211)	(26,211)
At 31 May 2022	<u>53,091</u>	<u>130,613</u>	<u>183,704</u>
Carrying amount			
At 31 May 2022	<u>89,756</u>	<u>116,055</u>	<u>205,811</u>
At 31 May 2021	<u>35,350</u>	<u>167,769</u>	<u>203,119</u>

The net book value of tangible fixed assets includes £112,336 (2021 - £154,722) and depreciation charged in the year includes £35,229 (2021 - £61,027) in respect of assets held under finance leases.

11 Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u>341,840</u>	<u>341,840</u>

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	777,158	1,675,013
Amounts recoverable on projects	3,928,574	1,901,063
Corporation tax recoverable	-	82,066
Amounts owed by group undertakings	180,204	-
Other debtors	354,610	102,968
Prepayments and accrued income	213,873	93,893
	<u>5,454,419</u>	<u>3,855,003</u>
Deferred tax asset (note 17)	421,139	413,581
	<u>5,875,558</u>	<u>4,268,584</u>

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

12 Debtors (Continued)

Included in other debtors are amounts owed by directors of the company totalling £354,610 (2021: £102,000) of which £333,611 (2021: £nil) relates to the reimbursement of provisions which are detailed in the provisions note to the financial statements.

Amounts owed by group undertakings are unsecured, interest free, and payable on demand.

13 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Obligations under finance leases	15	5,803	68,255
Trade creditors		1,178,730	953,959
Amounts owed to group undertakings		2,619,414	715,000
Corporation tax		12,101	-
Other taxation and social security		292,540	1,470,200
Other creditors		32,183	19,050
Accruals and deferred income		2,958,143	3,744,308
		<u>7,098,914</u>	<u>6,970,772</u>

Amounts owed to group undertakings are unsecured, interest free, and payable on demand.

14 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Obligations under finance leases	15	<u>14,253</u>	<u>23,291</u>

15 Finance lease obligations

	2022 £	2021 £
Future minimum lease payments due under finance leases:		
Within one year	5,803	68,255
In two to five years	14,253	23,291
	<u>20,056</u>	<u>91,546</u>

16 Provisions for liabilities

	2022 £	2021 £
Other provisions	<u>699,451</u>	<u>193,205</u>

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

16 Provisions for liabilities (Continued)

Movements on provisions:

	Other provisions £
At 1 June 2021	193,205
Additional provisions in the year	506,246
	699,451
At 31 May 2022	699,451

Provision has been made for the expected payment of historic employment taxes due and the associated interest liabilities totalling £699,451. Certain elements of this provision totalling £333,611 will be reimbursed by certain directors and as this receipt is considered to be virtually certain it is recognised as an asset of the company in debtors falling due within one year at the balance sheet date. In the statement of comprehensive income, the expense related to provisions is presented net of the amount recognised for the reimbursement.

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
Balances:				
Accelerated capital allowances	31,232	32,002	-	-
Tax losses	-	-	421,139	413,581
	31,232	32,002	421,139	413,581
Movements in the year:				2022 £
Asset at 1 June 2021				(381,579)
Credit to profit or loss				(8,328)
Asset at 31 May 2022				(389,907)

18 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	55,637	155,174
	55,637	155,174

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable of £11,827 (2021: £9,425) were outstanding at the year end date.

INTELLIGENT COMMUNICATIONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

19 Share capital

	2022	2021	2022	2021
Ordinary share capital Issued and fully paid	Number	Number	£	£
Ordinary of £1 each	5,000	5,000	5,000	5,000

20 Financial commitments, guarantees and contingent liabilities

Intelligent Communications Solutions Limited has given a debenture to Glas Trust Corporation Limited (the security agent for the "Lenders": Permira Credit Solutions and The Royal Bank of Scotland Plc) to secure a cross guarantee given under an intercreditor deed in respect of loan borrowings owed to the Lenders due from Whistler Topco Limited, Whistler Midco Limited, Whistler Bidco Limited, Cooper Topco Limited, Cooper Bidco Limited, WHP (Holdings) Limited, WHP Telecoms Limited Paragon Telecoms Limited, Sitec Infrastructure Services Limited, Redhall Network Solutions Holdings Limited, Redhall Network Solutions Limited, and Blue Clarity Design Services Limited.

21 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	145,457	136,115
Between two and five years	542,730	275,000
In over five years	175,000	-
	<u>863,187</u>	<u>411,115</u>

22 Ultimate controlling party

The immediate parent company is Whistler Bidco Limited, a company registered in England and Wales with company registration number 11198102. The registered office address for Whistler Bidco Limited is 401 Faraday Street, Birchwood, Warrington, WA3 6GA.

The ultimate parent company is Whistler Topco Limited, a company registered in England and Wales with company registration number 11198084. The registered office address for Whistler Topco Limited is the same as that for Whistler Bidco Limited. Whistler Topco Limited is the largest group of companies into which the company's results are consolidated where the financial statements are available to the public. Copies of the consolidated financial statements of Whistler Topco Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party of Whistler Topco Limited is Equistone LLP, a limited liability partnership registered in England and Wales with registration number OC360196. The registered office address is One New Ludgate, 60 Ludgate Hill, London, England, EC4M 7AW.